**AMENDMENTS TO THE CLAIMS:** 

This listing of claims will replace all prior versions, and listings, of claims in the application:

**Listing of Claims:** 

Claim 1 (Canceled)

Claim 2 (Currently Amended): A method of grinding a magnetic member, comprising:

a first step of grinding a magnetic member by grinding means having an edge including heat

resistant resin and super hard abrasive grain while supplying grinding fluid to a grinding region;

a second step of magnetically separating sludge from the grinding fluid drained from the

grinding region; and

a third step of introducing the grinding fluid which has undergone the second step into a tank

provided therein with a plurality of barrier plates of different sizes capable of turning a flow of the

grinding fluid by generally a right angle in a horizontal plane and providing the grinding fluid with

a flowing path which changes directions in a horizontal plane at least two times, and separating the

sludge from the grinding fluid by magnetic coagulation and subsequent sedimentation of the sludge

in the tank.

-2-

Claim 3 (Previously Presented): The method according to Claim 2, wherein

the magnetic member includes a rare-earth alloy,

the second step using magnetic separation means having a surface magnetic flux density not

smaller than 0.25 T for separation of the sludge.

Claim 4 (Previously Presented): The method according to Claim 2, wherein the grinding fluid

is primarily made of water.

Claim 5 (Previously Presented): The method according to Claim 2, wherein the grinding fluid

after separation of the sludge is supplied to the grinding region for use in circulation.

Claim 6 (Canceled)

Claim 7 (Currently Amended): A method for treating waste fluid, comprising:

a first step of separating sludge containing a rare-earth alloy from waste fluid by using

magnetic separation means having a surface magnetic flux density not smaller than 0.25 T; and

a second step of introducing the waste fluid which has undergone the first step into a tank

provided therein with a plurality of barrier plates of different sizes capable of turning a flow of the

waste fluid by generally a right angle in a horizontal plane and providing the waste fluid with a

flowing path which changes directions in a horizontal plane at least two times, and separating the

-3-

sludge from the waste fluid by magnetic coagulation and subsequent sedimentation of the sludge in

the tank.

Claim 8 (Canceled)

Claim 9 (Currently Amended): An apparatus for grinding a magnetic member, comprising:

grinding operation means for grinding a magnetic member by using grinding means having

an edge including heat resistant resin and super hard abrasive grain while supplying grinding fluid

to a grinding region;

magnetic separation means for separating sludge from the grinding fluid drained from the

grinding region; and

a tank disposed on a downstream side of the magnetic separation means, for reception of the

grinding fluid and sedimentation of magnetically coagulated sludge; and

a plurality of barrier plates of different sizes in the tank, capable of turning a flow of the

grinding fluid by generally a right angle in a horizontal plane and providing the grinding fluid with

a flowing path which changes directions in a horizontal plane at least two times.

Claim 10 (Previously Presented): The apparatus according to Claim 9, wherein the magnetic

member includes a rare-earth alloy, the magnetic separation means having a surface magnetic flux

density not smaller than 0.25 T.

-4-

U.S. Patent Application Serial No. 09/591,508

Amendment dated April 28, 2004

Reply to OA of February 3, 2004

Claim 11 (Previously Presented): The apparatus according to Claim 9, wherein the grinding

fluid is primarily made of water.

Claim 12 (Previously Presented): The apparatus according to Claim 9, further comprising

circulating means for supplying the grinding fluid after separation of the sludge to the grinding

region for use in circulation.

Claim 13 (Canceled)

Claim 14 (Canceled)

Claim 15 (Currently Amended): A rare-earth magnet obtained by using a grinding method:

the method comprising;

a first step of grinding a magnetic member by grinding means having an edge including heat

resistant resin and super hard abrasive grain while supplying grinding fluid to a grinding region,

a second step of magnetically separating sludge from the grinding fluid drained from the

grinding region, and

a third step of introducing the grinding fluid which has undergone the second step into a tank

provided therein with a plurality of barrier plates of different sizes capable of turning a flow of the

grinding fluid by generally a right angle in a horizontal plane and providing the grinding fluid with

-5-

a flowing path which changes directions in a horizontal plane at least two times, and separating the

sludge from the grinding fluid by magnetic coagulation and subsequent sedimentation of the sludge

in the tank to obtain supernatant fluid of the grinding fluid,

wherein the supernatant fluid is supplied to the grinding region for use in circulation.

Claim 16 (Currently Amended): A method for grinding a magnetic member, comprising:

a first step of grinding a Nd-Fe-B rare-earth alloy by grinding means having an edge

including heat resistant resin and super hard abrasive grain while supplying grinding fluid to a

grinding region;

a second step of magnetically separating fine-particle sludge from the grinding fluid drained

from the grinding region; and

a third step of introducing the grinding fluid which has undergone the second step into a tank

provided therein with a plurality of barrier plates of different sizes capable of turning a flow of the

grinding fluid by generally a right angle in a horizontal plane and providing the grinding fluid with

a flowing path which changes directions in a horizontal plane at least two times, and separating the

sludge from the grinding fluid by magnetic coagulation and subsequent sedimentation of the sludge

in the tank.

Claim 17 (Currently Amended): A method for grinding a magnetic member, comprising:

a first step of grinding a rare-earth alloy which includes a hard primary phase and a tough

-6-

U.S. Patent Application Serial No. 09/591,508

Amendment dated April 28, 2004

Reply to OA of February 3, 2004

grain boundary phase by grinding means having an edge including heat resistant resin and super hard

abrasive grain while supplying grinding fluid to a grinding region;

a second step of magnetically separating sludge from the grinding fluid drained from the

grinding region; and

a third step of introducing the grinding fluid which has undergone the second step into a tank

provided therein with a plurality of barrier plates of different sizes capable of turning a flow of the

grinding fluid by generally a right angle in a horizontal plane and providing the grinding fluid with

a flowing path which changes directions in a horizontal plane at least two times, and separating the

sludge from the grinding fluid by magnetic coagulation and subsequent sedimentation of the sludge

in the tank.

-7-